FOREIGN CROPS AND MARKETS

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Feature of issue: TOBACCO

EUROPEAN GRAIN CROP CONDITIONS

The condition of the European grain crops the third week in May was generally favorable, according to a cable to the United States Department of Agriculture from Agricultural Commissioner G. C. Haas at Berlin. In the Danube region the crops were above average and in Hungary very good. Proceeding northward, conditions became less favorable, especially in the Baltic region, but were still apparently above average. The cold weather reported for the last half of the preceding week in the countries north of the Alps continued during the week just past with scattering rain and some night frosts, which are believed to have done no damage to the grain crops, although continued reports are received of injury to the fruit and vegetable crops of central Europe. In the Danube basin where normal weather prevailed the week previous, warmer weather was experienced last week. Conditions were normal in the Mediterranean region.

Slight improvement has been noted in the condition of the Russian crops during the first ten days of May, which at the beginning of the month had been officially reported as above average and slightly better than at that time a year ago. Grain sowings were going forward well although late in some parts of the country. In the eastern section of European Russia, however, there is some doubt as to the state of the crops. Cooler weather is desirable and rains are wanted in North Caucasus, lower Volga, the Ural river region and the central section of the central Black Soil region.

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CURRENT MARKET CONDITIONS

The British bacon market was steady during the week ended May 18. Average quotations on both Danish and Canadian Wiltshire sides were the same as for the preceding week. Hog receipts were somewhat lighter. See page 709.

In the German pork market, hog prices at Berlin for the week ended May 18 averaged nearly $1.00 per 100 pounds higher than the preceding week. Lard at Hamburg, however, reached figures slightly under those of the preceding week. See page 709.

Prices of tops at the Bradford market are generally firmer, due to the strong close of the London Sales, according to a cablegram received by the United States Department of Agriculture from Consul Thompson. The market for yarn is quiet but prices are steady. Some curtailment in the production of piece goods is reported, and demand has diminished with a decided drop in April exports.

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CROP AND MARKET PROSPECTS

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WHEAT

The world wheat situation showed little change during the week. European growing conditions continue generally more favorable than at this time last year, with total wheat areas in 13 European countries 1.4 per cent larger than last year. Some seeding progress has been made by the Canadian Prairie Provinces, but the lateness of the season may cause some cut in acreage. The marketing situation continues to show signs of increasing strength. Exports from the United States during the week ended May 14 were small as compared with last year but more than twice as large as in the preceding week. Domestic prices continue to advance. Recent wheat movements out of Canada have been relatively heavy.

Growing conditions

The weather in the Canadian Prairie Provinces for the week ending May 17 as reported to the United States Weather Bureau should have been favorable for the remaining seeding operations. No rain is reported except on the 12th and 13th of the month, when there were scattered thunderstorms and some hail. It was considerably warmer than the preceding week, especially in the southern districts of Alberta and Saskatchewan where temperatures reached 80° Far. on the 15th. The week ended cool, with light frosts and snow in Manitoba. Consul Winslow reports on May 12 that roughly 39 per cent of the seeding had been completed in Alberta, 15 per cent in Saskatchewan, while little progress had been made in Manitoba. Due to much low ground, he says it appears probable that the wheat acreage of Manitoba will be materially reduced. Although lateness in season may cause a reduction in acreage, favorable conditions may still result in a good crop. The Consul reports the opinion to be that with continued good weather, the seeding should be practically completed in the Prairie Provinces by May 20, and if completed by that time it will not be too late for a good crop. Probable reductions in area are estimated to be from 5 to 15 per cent. The conditions favorable to maintenance of area and a good crop are well saturated seed beds, a considerable number of new settlers, giving rise to a constant tendency to increase the grain area.

The condition of all cereal crops in Hungary on May 11 was better than at the same time last year, according to cabled reports of the International Institute of Agriculture at Rome. Winter wheat, which comprises the greater part of the wheat crop, is in better condition than in any May since 1922 when reports were first available.

Tables on winter grain acreage separately reported have been discontinued for the season, the figures there reported now being included in the tables appearing on page 706 of this issue, for total acreage both of winter and spring grain.

CROP AND MARKET PROSPECTS, CONT'D

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Movements to market

United States

Exports of wheat including flour from the United States for the week ending May 14 were 2,313,000 bushels or more than twice the amount for the previous week. Total exports for the season to date are 199,093,000 bushels against 89,733,000 bushels for the same period last year.

Canada

Stocks of wheat in the western division of Canada decreased by 4,237,000 bushels during the week ending May 13. The stocks on May 13 were 51,173,000 bushels as compared with 68,617,000 bushels a year ago and with 55,410,000 bushels the week ending May 6 and 61,985,000 bushels on April 29. The winter's accumulation of stocks had not been greatly decreased at this time last year because of the late date of the opening of navigation on the Great Lakes. Receipts of wheat for the week were 7,300,000 bushels and shipments 11,510,000 bushels. During the week 5,040,000 bushels of wheat were received at Fort William-Port Arthur, in comparison with 7,088,000 the previous week. Total receipts for the season are 227,830,000 bushels against 229,066,000 bushels for the same period last year. During the same week 6,047,000 bushels of wheat were shipped from Fort William-Port Arthur, 5,850,000 of which went out by way of the Lakes. Total shipments for the season are 212,663,000 bushels as compared with 198,529,000 bushels last year.

Russia

Shipments of wheat through the Bosporus for the week ending May 13 amounted to 440,000 bushels, making a total of 32,738,000 for the season. During the week 32,000 bushels of rye were exported. Wheat and rye shipments have both been heavier this year than last. Total wheat shipments from August 1 to date amount to 32,700,000 bushels as compared with about 19,000,000 bushels last year; rye shipments for the season are 6,400,000 bushels as compared with 3,700,000 bushesl last season.

United States wheat prices

The cash price of wheat has been steadily advancing during the four-weeks period ending May 13. For all grades and classes of wheat at the five principal markets the price has advanced 11 cents from $1.31 to $1.42 during the period mentioned. For the week ending May 13 #2 hard red winter, #1 dark northern spring and #2 soft red winter reached the highest levels since the last week of October, as did all grades and classes of wheat. During the week ending May 13, all grades and classes advanced 3 cents from $1.39 to $1.42; #2 hard red winter 5 cents from $1.36 to $1.41; #1 dark northern spring 3 cents from $1.49 to $1.52; #2 amber durum 2 cents from

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$1.59 to $1.61, and #2 soft red winter advanced 4 cents from $1.37 to $1.41. Since May 13 cash prices have made no material change. The spread between cash prices at Winnipeg and Minneapolis narrowed 2 cents and was 6 cents in favor of Winnipeg on May 13.

Since the week ending May 13 future prices, on the whole, have remained steady, with daily up and down fluctuations. Adverse weather conditions in Canada have tended to push prices upward, while continued favorable conditions in the winter wheat belt has had the opposite effect. On May 17 May futures were somewhat lower at all the important markets except Minneapolis as compared with a week before. This decrease amounted to 5/8 of a cent at Winnipeg, one cent at Chicago, and 2 5/8 cents at Liverpool. Minneapolis was 1/8 of a cent higher. On the other hand, July futures strengthened at all markets excepting at Liverpool where they declined 3/4 of a cent as compared with a week before. They advanced from 1/8 of a cent at Minneapolis to 1 1/8 cents at Winnipeg. At the same time they advanced 1/4 of a cent at Chicago and 5/8 of a cent at Kansas City. The spread between Chicago and Liverpool May futures on May 17 was 16 cents in Liverpool's favor as compared with 14 cents last year. The spread between July futures on the same date was 20 cents as compared with 32 cents last year.

RYE

The generally favorable growing conditions in Europe are having a beneficial effect upon the rye crop. The total rye area in 13 European countries is 99.5 per cent of the 1926 figure. See table, page 706 . In Hungary rye is in good condition and better than last year, according to the International Institute of Agriculture.

Movements to market in Canada

Stocks of rye in terminal elevators at Fort William-Port Arthur on May 13 were 1,409,000 bushels as compared with 2,055,000 bushels a week ago and 1,989,000 bushels a year ago. During the week 195,000 bushels of rye were received at Fort William-Port Arthur and 840,000 bushels were shipped.

CORN

Southern Hemisphere corn appears to be in plentiful supply. Corn in the Union of South Africa continues to be reported as turning out better than was first anticipated. Reports from Argentina indicate considerable quantities of the 1925-26 crop still available, the quality of which is said to be relatively high. Arrivals of new crop corn at the ports has been somewhat slower than expected, with old crop supplies being cited as the reason. Continued good weather, however, is expected to accelerate new crop receipts.

Consul M. P. Cross at Cape Town estimates that out of the probable yield of 68,300,000 bushels of corn in the Union of South Africa, the

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domestic consumption will amount to less than 39,300,000 bushels, leaving an exportable surplus of some 29,000,000 bushels, near the high point of the range of 20,000,000 to 30,000,000 bushels, published in "Foreign Crops and Markets" of May 9. This figure, however, is considerably less than the bumper crop of 1925.

Hungary is the only European country reporting corn crop conditions so far, which were described as good on May 11, and better than in any May of the last 3 years, according to the International Institute of Agriculture.

Movements to market in the United States

Exports of corn from the United States, which during the week of May 7 were higher than usual, fell to the low export of 155,000 bushels for the week ending May 14. Exports of 15,500,000 bushels for the whole season since July 1 have been only 76 per cent as great as last season.

BARLEY

Available information indicates favorable conditions surrounding foreign barley crops. In Canada, the Ontario crop was sown to the extent of 70 per cent of the crop by the end of April, which has been exceeded on that date only by 73 per cent in 1910. The Quebec crop was only 8 per cent sown in April, with none in the Prairie Provinces. The barley crop in Hungary is in a good condition, according to a cable from the International Institute of Agriculture, and better than at the same time last year, which was, in turn, better than in 1925 and 1924.

Movements to market in the United States

Exports of barley from the United States for the week ending May 14 have fallen off to 88,000 bushels from the unusually heavy export of 809,000 bushels the preceding week. The 15,000,000 bushels exported since July 1 have been only 60 per cent of the amount exported for the same period last year.

European stocks

The stocks of barley on hand in the United Kingdom on April 1 were much lower than in either of the two preceding years, according to Assistant Trade Commissioner James Somerville, Jr., amounting to only 3,937,000 bushels as compared with 6,067,000 bushels last year, and 6,300,000 in 1925. The stocks remaining on April 1 this year were only 9 per cent of the total production, while on the same date for the two preceding years 13 per cent remained. In Germany, also, the stocks of barley were low, only 20 per cent of the total crop remaining on farms on March 15, and only 10.5 per cent on April 15.

CROP AND MARKET PROSPECTS, CONT'D

OATS

The area in the Northern Hemisphere sown to oats this season, so far as reported, is slightly larger than that of last year, amounting to 7,493,000 acres, as compared with 7,437,000 last year. Since the total acreage sown in the Northern Hemisphere last year, however, was 107,500,000 acres, the reports so far received represent only a small proportion of the total planting.

In Ontario 65 per cent of the oats seeding for this year had been completed by the end of April, as compared with only 5 per cent last year while in 1925 it was 67 per cent, the highest since 1910. In Quebec only 12 per cent had been sown by the end of April, while in the Prairie Provinces there had been practically none.

There are, as yet, no reports received on either acreage or condition from Russia, Germany, France and Poland, the most important European oats-producing countries, so that there is little indication in regard to the situation of Europe as a whole. Reports from other countries indicate good or better than average crop conditions, although in most cases not quite so good as at this time last year. In England and Wales the weather has been favorable for sowing. Conditions are reported either about the same or not quite so favorable as last year in Czechoslovakia, Rumania, Italy, Austria and Morocco. In Hungary and Belgium the conditions are a little better than last year.

Movements to market

United States

Exports of oats from the United States for the week ending May 14 amounted to 911,000 bushels, which, while smaller than the export of the preceding week, was much larger than for most of the season. The total season's export of 6,800,000 bushels is only about one-fourth of the export for the same period last year.

Canada

Stocks are reported to be low in Canada, the United Kingdom and Germany. Country elevator stocks of oats in Canada have been disappearing rapidly, amounting to only 3,030,000 bushels on April 29, as compared with 3,482,000 bushels a week before, and 7,087,000 on the same date last year. Stocks of oats on hand in the United Kingdom on April 1, according to Assistant Trade Commissioner Somerville, were about 19 per cent of the 1927 harvest, or 20,300,000 bushels as compared with 16,800,000 bushels last year, and 22,750,000 in 1925. In Germany, the percentage of the total crop still remaining on farms was 40 per cent on March 15, and only 29 per cent on April 15.

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SUGAR

By April 1 the Russian Sugar Trust had contracted for 889,816 acres (329,598 dessiatines) or 97.6 per cent of the plan for the 1927 sugar beet acreage, according to Economic Life, April 21, 1927. Last year at the same date only 654,588 acres (242,467 dessiatines) had been contracted for. As indicated by the figures given above, the total plan of the Sugar Trust for the present season is 912,000 acres which represents the bulk of the Russian sugar beet acreage. According to Licht's estimate the total sugar beet acreage for 1927 is placed at 1,443,000 acres as compared with the Mikusch estimate of 1,581,000 acres.

In Kiev, Ukraine, one of the most important sugar beet growing regions of Russia, peasants' sowings showed a decline in 1926; this year, however, an increase over the two preceding years is expected, according to Economic Life, April 10. Peasants' sowings declined from 171,542 acres in 1925 to 162,738 in 1926, unfavorable price relation between sugar beets and grains is given as the cause. In view of lower grain prices and higher sugar beet prices this season, it is expected that sugar beet growing will become more popular and peasant sowings will reach 181,000 acres in 1927. In addition about 94,000 acres will probably be devoted to sugar beets on land known as national reserve land to be used for this purpose. About 80 per cent of the acreage planned in this region was contracted for by April 1.

The Queensland cane sugar crop for 1927 will probably be reduced by about 10 per cent of the original estimate as a result of the severe cyclone and floods during February, according to Consul Thomas H. Robinson at Melbourne, Australia. This would indicate a sugar crop of about 400,000 short tons as compared with 450,000 short tons produced in 1926. Queensland produces normally about 94 per cent of the total cane sugar crop of Australia.

The Ministry of Agriculture of Northern Ireland has announced that experiments with sugar beets are to be carried out in the Province under its authority during 1927, according to a report from Vice Consul Russell M. Brooks at Belfast. The Ministry proposes to supply the seed for experiments free, and in addition, to pay each farmer who carries out an experiment on the lines laid down, a cultivation allowance of $34 per acre (£ 7). The cost of fertilizer will, however, be charged against the allotment made by the county committee for the purpose of agricultural experiments.

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LIVESTOCK, MEAT AND WOOL

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Cattle and beef

PACKING HOUSE SLAUGHTER IN ARGENTINE AND URUGUAY: There has been an increase in slaughterings in packing houses in Argentina in the first two months of 1927 compared with the same two months of 1926. Cattle slaughterings numbered 624,000 compared with 509,300 last year for the same period, an increase of 23 per cent. Sheep killings rose to 568,700 from 477,600 an increase of 19 per cent. The largest increase took place in the number of hogs slaughtered which increased from 8,200 in 1926 during the first two months to 19,000 in 1927 for the corresponding period. In Uruguay during these two months slaughtering of both cattle and sheep decreased. Cattle killings decreased 22 per cent to 134,700 and sheep 4 per cent to 400,200.

FOUR MONTHS MEAT SUPPLIES AT LONDON CENTRAL MARKETS: Beef supplies at the London Central Markets for the first 4 months of the year 1927 were about the same as for the same period last year, while the supply of mutton was greater and that of pork smaller. Receipts of beef aggregated 103,438 short tons compared with 103,550 in 1926. Larger quantities were produced at home than for the same period last year and the receipts from Argentina were also larger. Home supplies of mutton and lamb during this period increased from 11,076 short tons in 1926 to 13,492 in 1927 an increase of 22 per cent. Total supplies for the four months were 53,825 short tons compared with 51,295 in 1926 an increase of 5 per cent. Pork supplies amounted to only 14,548 short tons a decrease of 32 per cent compared with the corresponding period of 1926. The decrease is due to the large drop in supplies from the Netherlands owing to the English embargo against fresh meat from the Continent. Domestic production increased from 2,902 to 10,985 short tons during this period or over four times as much. See table, page 707.

Sheep and wool

GOOD CROP OF LAMBS IN CANADA: Reports indicate that the crop of lambs this year is above the average states the Farmer's Advocate of May 12, 1927. Breeding stock came through the winter in good condition and there have been a large number of twins born, with triplets in som instances. Lambs are reported to be strong and there is very small mortality among lambs or ewes.

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DOMESTIC BUTTER PRICES DECLINING

There was a further slight decline in the Copenhagen official quotation on May 19 to the equivalent of 32.8 cents. In New York the price of 92 score was 40.5 on the same date, a difference of less than 8 cents. This is the smallest difference noted in months. The London market is reported as firm. Shipments afloat on May 14 included 17,864,000 pounds from New Zealand; 3,136,000 pounds from Australia, and 1,400,000 pounds from Argentina. See page 709.

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FRUIT, VEGETABLES AND NUTS

ENGLISH FRUIT CROP PROSPECTS: The first English fruit crop report dated May 6, shows all fruits to be heavily in bloom, according to a report from the Department of Agriculture of Canada quoting a cable from the Canadian Fruit Trade Commissioner for the United Kingdom. Apples have a good showing of blossom on the principal varieties, pears profuse blossom on early varieties and setting well. Most varieties of plums have blossomed well. It is feared, however, that damage has been caused to plum and pear blossoms and perhaps to unopened apple fruit buds by severe frosts late in April.

The apple crop of England last season was practically a failure in many districts, due largely to spring frosts, according to an officail report. Production of dessert and cooking apples was estimated at 2,721,000 bushels compared with 15,213,000 bushels in 1925 and 5,553,000 bushels in 1924. Production of cider apples was only slightly below that of 1924 and 1925.

Pear yields were variable but were well above the yield in 1925 though below that of 1924. Production of dessert and cooking varieties was estimated at 42,560,000 pounds compared with 9,184,000 in 1925 and 54,320,000 in 1924. The plum crop was well above those of the two previous years, being estimated at 147,800,000 pounds compared with 89,600,000 pounds in 1925 and 71,700,000 pounds in 1924. The cherry crop of 1926 was reduced by frosts early in the season and production was below that of the two previous years.

BRITISH AND GERMAN FRUIT IMPORTS IN MARCH: Increased consumption of fresh fruit in the United Kingdom is indicated by the trade statistics which show larger imports for every important item during the present season (July to March) compared with 1925-26. Apples and pears showed particularly noteworthy increases. Apricots and peaches were also imported in much larger quantities. The imports of citrus fruit, however, have been only slightly larger than in the preceding season. In the dried fruit trade the imports of both currants and raisins have been on a slightly lower level than during 1925-26.

American apples continued to flow into Germany in large quantities during March, and the total imports of American apples into that country during the present (1926-27) season now amount to 2,155,000 bushels or an increase of 270 per cent over the corresponding period in 1925-26. This year American apples have comprised 23 per cent of the German apple imports, compared with 6.5 per cent in 1925-26. Imports of prunes into Germany, both from the United States and Yugoslavia, still continue to run behind last year's takings. On the other hand, the imports of raisins from both Turkey and the United States have been larger than in 1925-26.

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FRUIT CONDITIONS IN BRITISH COLUMBIA: Apart from frost damage, fruit trees of British Columbia, one of the important fruit producing regions of Canada, are healthy and free from pests, according to the "Crop Bulletin" of the Canadian Pacific Railway. Apricots and pears in the Okanagan Valley were in bloom the beginning of May, while, in contrast, trees and shrubs in the Creston District were only beginning to bud. Some frost damage to early fruits was reported in several districts.

EGYPTIAN ONIONS AFLOAT TO THE UNITED STATES: Shipments of onions from Alexandria to the United States up to May 17, 1927 totaled 417,476 bags of 112 pounds each, or approximately 834,952 bushels, according to a cable received in the Department of Agriculture from Consul Geist at Alexandria. On the basis of 250 bags to the car, total shipments to date amount to 1,669 carloads. Shipments from Alexandria to the United States last season up to May 15 amounted to 338,340 bags. The steamship "Assiut" is scheduled to arrive in New York on June 7 where it will discharge 9,560 bags, proceeding later to Boston with a balance of 17,050 bags.

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WORLD TOBACCO PRODUCTION

The 1926 world tobacco crop, based on estimates from countries reporting to date, was smaller than the crops of 1925 and 1924, although the decrease was less than was indicated by reports received up to March. Production in 22 countries as now reported is 6 per cent below production in the same countries in 1925 and 4 per cent below production in 1924. These countries produced over 70 per cent of the estimated world total exclusive of India and China, both in 1925 and 1924. India and China are both important producers but for these countries no reliable estimates of production are available. India is believed to produce approximately 1,000,000,000 to 1,200,000-000 pounds annually, of which less than 5 per cent is exported. China is an importing country, with imports in recent years making that country the second largest importer of American leaf, exceeded only by Great Britain. The United States is the chief source of supply for Chinese tobacco imports, which consist largely of bright flue cured leaf and cigarettes.

Of the 30 per cent of the world crop exclusive of India and China which is still not reported, about half is included in the crops of Russia, Java and Madura and Brazil, with Germany following in importance in size of crop. Java and Madura and Brazil are important exporters of tobacco while Germany imports large quantities and Russia also imports some tobacco. The Brazilian crop is of especial interest to United States growers since that crop competes with our cigar tobacco in European markets, especially in Germany and the Netherlands. No indication is available as to the size of the total 1926-27 Brazilian crop, but the crop in Bahia, which accounts for about half of the total Brazilian production, and which is the most important exporting state, is variously estimated at from 46,000,000 to 77,000,000 pounds. The complicating reports as to the size of the 1926-27 crop have diminished the interest of the German and Dutch buyers, according to Consul Donovan at Bahia. Exports from Bahia for the calendar year 1926 were 51,000,000 pounds. On the basis of these figures, the 1926-27 crop appears to be a relatively small one.

WORLD TOBACCO PRODUCTION, CONT'D

No indication is reported as to the size of the Java and Madura crop. The crop on the nearby island of Sumatra is above average and slightly above the previous year in size but of poor quality, and it is possible that Java and Madura experienced somewhat similar conditions.

TOBACCO: Production in specified countries, average 1909-13, annual 1924 to 1926

Country	Average 1909-13	1924	1925	1926	Per cent 1926 is of 1925
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	Per cent
United States	996,087	1,251,343	1,376,628	1,323,388	96.1
14 other countries previously reported and unchanged a/	435,315	737,693	720,696	649,499	90.1
Estimates revised:					
Algeria	23,097	38,578	65,152	48,500	74.4
Belgium	20,767	15,031	16,925	13,153	77.7
Palestine	--	b/ 3,457	b/ 1,270	b/ 1,040	81.9
Poland	8,725	1,397	1,875	5,137	274.0
Turkey	c/ 68,180	d/ 170,000	d/ 104,500	d/ 84,000	80.4
New estimates received					
Chosen (Korea)	25,510	32,173	22,423	24,766	110.4
Persia	--	b/e/ (23,000)	b/e/ (23,000)	b/d/ (25,500)	110.9
Philippine Islands...	65,005	95,509	92,377	100,199	108.4
Rumania	f/ 48,174	47,290	36,089	41,887	116.1
Salvador	--	--	--	b/d/ 500	
Total, 22 countries ...	1,710,860	2,389,014	2,436,665	2,290,529	94.0
Estimated world total exclusive of India and China g/	2,671,000	3,252,000	3,279,000		

a/ See Foreign Service Release T-20, February 21, 1927.
b/ Not included in total as there is no estimate available for pre-war period.
c/ One year only. d/ Unofficial estimate. e/ Rough annual estimate.
f/ Four-year average. g/ No reliable production statistics available for India and China. Post-war annual production in India is estimated to be roughly 1,000 to 1,200 million pounds. Production estimates for China range all the way from 300 to 900 million pounds.

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DEVELOPMENTS IN GERMAN AND SWEDISH TOBACCO MARKETS

Germany

The chief developments in the German tobacco market in recent months are the continued increase in cigar consumption and a decrease in the consumption of cigarettes and pipe tobacco, according to a report from Agricultural Commissioner G. C. Haas at Berlin. The generally improved situation of the tobacco industry, compared with a year ago, as reflected in the better employment and the steady level of tobacco importation, is also worthy of note.

The largely increased consumption of cigars in the fourth quarter of 1926 was due, of course, to a considerable extent to Christmas business, but is also thought in the trade to indicate the beginning of some tendency for cigars to replace pipe tobacco, the consumption of which has been rising up to now. It is thought to be a natural consequence of improving economic conditions in Germany and the resultant greater purchasing power that cigar consumption will increase, partly at the expense of smoking tobacco. Such a tendency, if continued, would, of course, be detrimental to the market for American tobacco, as the United States is much more important in the German trade as a source for smoking tobacco than for cigar tobacco, Brazil and the Dutch East Indies dominating the latter business.

The decreased consumption of cigarettes is probably due to the comparatively heavy taxes on cigarettes, and the trade is not optimistic about material improvement in cigarette consumption in the future, as long as present conditions exist. Cigars are very reasonable in price when compared with cigarettes.

The rate of activity in all branches of the tobacco manufacturing industry since the first of the year has been generally better than a year ago. The improvement is especially marked in the cigar industry. Employment in both cigar and smoking tobacco manufacture has also been well maintained since the first of the year following the pre-holiday activity, but employment in the cigarette industry has been fluctuating considerably and in February and March was somewhat below the January figure. There has been a large increase in short time work in the chewing tobacco industry in March and the outlook is uncertain. The threatened wage dispute with the cigar workers has been settled recently by a $7\frac{1}{2}$ per cent increase in wages.

German imports of leaf tobacco have been much larger recently than in the same months a year ago, when importation was comparatively small. Imports, moreover, are showing a remarkably steady tendency, a fact indicating, for one thing, greater stability in the industry. Imports from the United States, it should be noted, while increasing in actual amount, have constituted a relatively smaller percentage of total imports than in the two preceding years.

DEVELOPMENTS IN GERMAN AND SWEDISH TOBACCO MARKETS, CONT'D

GERMANY: Consumption of Cigars, Cigarettes and Pipe Tobacco
(Based on taxation statistics)

Period	Cigars	Cigarettes	Pipe tobacco
	Thousands	Thousands	Pounds
1924, 2d Quarter	1,212,110	5,112,271	10,677,000
3d "	1,228,084	6,366,696	12,500,000
4th "	1,603,790	6,660,012	12,650,000
1925, 1st "	1,348,148	6,939,892	12,635,000
2d "	1,469,247	8,295,395	11,501,000
3d "	1,578,870	12,592,864	13,752,000
4th "	1,598,582	3,584,132	15,937,000
1926, 1st "	1,099,749	6,056,294	18,120,000
2d "	1,319,392	7,374,056	20,342,000
3d "	1,491,453	7,695,781	21,797,000
4th "	1,771,404	7,211,868	21,576,000

Source: "Deutscher Reichsanzeiger".

Sweden

The 1926 report of the Swedish tobacco monopoly, recently issued, indicates a further increase during 1926 in the monopoly sales of cigars, cigarettes and cigarillos, but a slightly downward tendency in the sales of smoking, chewing and snuff tobacco. The production in Sweden of cigars, cigarettes and cigarillos increased considerably during the year. This increasing tendency in domestic production resulted in further downward movement in the importation of cigars and cigarillos, but cigarette importation continued to rise, although to a smaller extent, according to Mr. Haas.

The importation of raw tobacco into Sweden, of which the United States ordinarily supplies from 60 to 70 per cent, amounted to 11,279,000 pounds as compared with 11,310,000 pounds in 1925. A continued tendency to import a larger quantity of oriental tobacco for use in cigarettes is indicated by the importation of 1,574,000 pounds in 1926 as compared with 1,358,000 in 1925 and 1,248,000 in 1924. Decreases occurred in imports from Cuba, Java, San Domingo, and Nyassa.

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TOBACCO STOCKS IN BULGARIA

The unsold stocks of tobacco from the 1924 crop of Bulgaria on March 24, 1927 amounted to 22,000,000 pounds and from the 1925 crop from 26,500,000 to 33,000,000 pounds, according to a report of Consul Stuart Lupton, Sofia. The new 1926 crop was reported by the International Institute of Agriculture in Rome in November 1926 as equal to 52,910,000 pounds. Consul Lupton places the 1926 tobacco crop at about 57,000,000 pounds and the same figure is given on the basis of private sources by William E. Nash, American Trade Commissioner in Constantinople in his report of January 26, 1927. The high quality of the 1926 crop is emphasized by both Commissioner Nash and Consul Lupton.

Commissioner Nash states in his report of March 18, 1927 that the small size of the 1926 crop and its excellent quality, combined with the fact that the 1926 tobacco crops of Turkey and Greece are likewise relatively small, are expected to make it possible to find ready outlets, not only for the present crop but also for the stocks accumulated during the preceding years.

The Bulgarian exports of tobacco in 1926 amounted to 61,068,112 pounds, valued between $13,000,000 and $14,000,000. About one-third of the quantity exported went to Germany and about one-fifth to Italy, with Czechoslovakia and Holland following in importance as purchasers of Bulgarian tobacco.

The total production and unsold stocks left over from the crops of 1924 and 1925 are as follows:

Tobacco	1924	1925	1926
	1,000 pounds	1,000 pounds	1,000 pounds
Production	108.4	90.0	52.9 - 57.0
Unsold stocks....................	22.0	26.5 - 33.0	
Per cent of the crop left over in unsold stocks...............	20	29 - 37	

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TOBACCO MARKET AND PRODUCTION IN TURKEY

The buying campaign in Turkey in connection with the last tobacco crop has opened under the best auspices in all producing centers, according to a trade report for March. In many districts more than two thirds of the whole crop was sold. In the Smyrna District, which is the largest single tobacco-producing centre in Turkey, contributing in 1926 more than a third of the total Turkish production, only a little over 1,000,000 pounds are left in the hands of the producers out of a more than 30, million pound crop.

The total 1926 tobacco crop of Turkey is estimated unofficially at 84 million pounds, compared to 99 to 110 million pounds in 1925. The small crop, combined with a shortage of stocks from the preceding year, and a considerable buying movement had a markedly strengthening effect on prices, according to a trade report.

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NEW SOURCE OF TOBACCO SUPPLY IN MANCHURIA

Another source of tobacco supply, that of Manchuria, is opening up, according to the British Trade Journal of February 1, 1927. Manchuria is a province of outer China, bordering on Russia, Chosen, Mongolia and China proper, with a population estimated in 1924-25 to be over 20 million. Tobacco growing was introduced into Manchuria from the Philippine Islands, through Japan and Chosen, but primitive mehtods of preparing leaves are still followed.

The best tobacco in Manchuria is produced on the Upper Sungari River in Kirin Province, in Central Manchuria. A russian estimate puts the annual production of tobacco in Kirin Province at 48,752,000 pounds. A great deal of Kirin tobacco is shipped to the Provinces of Chili and Shantung in China proper. Several brands of foreign cigarettes are manufactured from Kirin tobacco leaves. Although cigarette smoking is becoming more popular in Manchuria, the practice is only in vogue in the larger cities and towns.

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INCREASED TOBACCO CROP IN PORTO RICO

The estimate of the Porto Rican tobacco crop for the coming season is placed at 46,664,000 pounds for the first crop, according to a cable from the Commissioner of Agriculture of Porto Rico, while the second crop is still estimated at 1,000,000 pounds. This new estimate for the first crop is lower than the preliminary estimate of 50,412,000 pounds but the total of the first and second crops, 51,412,000 pounds, is still 33 per cent above the figure for the 1926 crop and more than twice as large as the average 1921-1925 production.

Tobacco production and acreage in Porto Rico for the last few years are given below.

Year	Acreage	Production
	Acres	Pounds
Average 1921-1925	35,014	23,218,000
1925	34,025	23,402,000
1926	50,000	35,000,000
1927-		
Preliminary estimate	77,000	51,412,000
Second estimate		46,664,000

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FOREIGN TOBACCO TRADE OF INDIA

Total imports of unmanufactured tobacco into British India declined in the calendar year 1926 to 5,157,000 pounds valued at $1,272,000 from 6,693,000 pounds valued at $1.775,000 in 1925. British India import statistics for the calendar year do not show countries of origin, but it is significant to note that United States export statistics indicate shipments of 4,940,000 pounds to British India in 1926 as compared with 4,762,000 in 1925. This apparent increase in takings of American tobacco in spite of a decrease in total imports shows a continuation of the tendency in recent years to draw an increasing percentage of the imports of unmanufactured tobacco from the United States, as is shown in the table below, giving the trade for recent fiscal years.

Imports of manufactured tobacco into British India in 1926 showed a considerable increase over the preceding year, principally on account of the larger takings of cigarettes, which make up the major part of this trade. The imports of cigarettes amounted to 4,096,000 pounds in 1926, compared with 3,182,000 in 1925. Over 99 per cent of these imports come from the United Kingdom.

TOBACCO, UNMANUFACTURED: imports into British India, fiscal years, 1921-22 to 1925-26 a/

Year	Total imports of unmanufactured tobacco	Imports from United States	Per cent United States is to total India imports
	Pounds	Pounds	Per cent
1921-22	1,050,414	409,244	39.0
1922-23	1,228,364	703,379	57.3
1923-24	4,557,007	3,889,408	85.4
1924-25	7,081,831	6,652,682	93.9
1925-26	4,906,909	4,764,634	97.1

Source: "Annual Statement of the Sea-Borne trade of British India."
a/ The fiscal year commences on April 1 and ends March 31.

Exports of unmanufactured tobacco from British India have shown a decreasing tendency in the last few years but is still on a much higher level than before the war. In 1926 the exports of unmanufactured tobacco amounted to 33,306,000 pounds as compared with 33,600,000 in 1925 and 47,300,000 in 1924. The decrease in the share of Bengal in this trade is a particularly noteworthy development. The exports from Burma have increased during the last three years. Madras furnishes the largest part of the tobacco exports from India. As regards the destination of the tobacco exports, the principal developments have been the increase in the shipments to the United Kingdom and the decrease in exports to the Netherlands.

FOREIGN TOBACCO TRADE OF INDIA, CONT'D

TOBACCO, UNMANUFACTURED: Exports from British India, calendar years 1924 to 1926

Destination	1924	1925	1926
	Pounds	Pounds	Pounds
United Kingdom..........	8,907,344	7,837,605	10,987,608
Germany	2,868,613	2,346,356	3,432,574
Netherlands.............	13,911,066	3,586,971	2,416,807
Aden and dependencies...	6,554,151	4,909,515	4,667,462
Straits Settlements (including Labuan)....	3,770,280	4,691,913	4,335,663
Federated Malay States..	1,260,135	1,230,543	1,345,516
China	5,265,291	5,783,580	4,216,247
Other countries	4,763,463	3,203,918	1,904,016
Total	47,300,343	33,600,401	33,305,893
Origin			
Bengal	15,466,109	6,505,427	3,471,513
Bombay	6,641,438	5,043,290	4,711,126
Sind	70,712	44,312	23,352
Madras	15,838,740	12,297,473	14,182,021
Burma	9,283,294	9,709,899	10,917,881
Total	47,300,343	33,600,401	33,305,893

Source: "Accounts Relating to the Sea-borne Trade and Navigation of British India for the Calendar Year 1926."

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TOBACCO ACREAGE IN CRIMEA, U. S. S. R., 1927

Information from various districts of Crimea point to a decrease of tobacco acreage in this region, according to "Economic Life" of April 16, 1927. Crimea is one of the three tobacco growing regions of Russia where the high grade "yellow" leaf tobacco of the so-called Turkish variety is grown. The other two regions are Caucasus and Turkestan. The cause of the decrease lies in an unsatisfactory price policy of the government, which was due to a mistake in forecasting the quality of the crop. As the amount represented by lower grades was larger than expected in the 1926 crop and as the prices naturally vary with the grade of the tobacco, the average prices which the producers received during the season were less than those originally expected. As a result, the incentive to grow tobacco has been seriously undermined. Unless the government comes to the assistance of tobacco growers it is believed, on the basis of present information, that the tobacco acreage in Crimea will suffer a considerable reduction, especially in districts where the best grades are grown.

The 1926 tobacco production in Crimea is estimated at about 9,000,000 pounds (250,000 poods). No figures for previous years are available. Total Russian production of "yellow" leaf tobacco by years has been officially estimated at 28,000,000 pounds in 1923, 19,500,000 in 1924, and 43,335,000 pounds in 1925. The pre-war corp of "yellow" leaf tobacco is unofficially estimated at between 47,000,000 and 50,000,000 pounds.

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WHEAT AND RYE: Acreage, average 1909-1913, annual 1925-1927

Country	Average 1909-13	1925	1926	1927	Percentage 1927 is of 1926
WHEAT	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Per cent
Total North America (2)	29,401	32,028	37,793	39,418	104.3
Europe (10)	33,358	30,227	29,326	29,545	100.7
Italy, revised	11,793	11,672	12,145	12,631	104.0
Czechoslovakia, revised	1,718	1,526	1,552	1,571	101.2
Bulgaria, revised	2,409	2,537	2,587	2,508	96.9
Total Europe (13)	49,278	45,962	45,610	46,255	101.4
Total Africa (3)	6,531	7,459	7,802	7,105	91.1
Total Asia (2)	30,124	32,873	31,661	32,058	101.3
Total Northern Hemisphere (20)	115,334	118,322	122,866	124,836	101.6
Ukraine	6,140	6,189	7,612	9,500	124.8
Total above including Ukraine	121,474	124,511	130,478	134,336	103.0
Estimated world total, excluding Russia and China	204,200	227,300	232,000		
RYE					
Total North America (2)	2,353	4,826	4,166	4,170	100.1
Europe (10)	30,317	27,281	26,914	26,781	99.5
Italy, revised	346	311	298	334	112.1
Czechoslovakia, revised	2,605	2,091	2,068	2,043	98.8
Bulgaria, revised	542	453	460	442	96.1
Total Europe (13)	33,810	30,136	29,740	29,600	99.5
Total Northern Hemisphere (15)	36,163	34,962	33,906	33,770	99.6
Ukraine	9,253	12,503	14,135	12,594	89.1
Total above including Ukraine	45,416	47,465	48,041	46,364	96.5
Estimated world total, excluding Russia and China	48,300	46,600	45,500		

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ENGLAND: Supplies of meat at London Central Markets four months 1926 and 1927

Item and Country	Four months January - April	
	1926	1927
	Short tons	Short tons
Beef and Veal -		
Britain and Ireland	13,151	16,367
Argentina	71,301	81,879
Uruguay	8,154	2,528
Australia	2,728	812
Others	8,216	1,852
Total	103,550	103,438
Mutton and Lamb -		
Britain and Ireland	11,076	13,492
New Zealand	24,046	19,979
Australia	4,939	8,030
Argentina	8,620	9,418
Uruguay	1,345	2,876
Others	1,269	30
Total	51,295	53,825
Pork -		
Britain and Ireland	2,902	10,985
Netherlands	14,764	1,149
Argentina	166	757
United States	476	358
Canada	422	93
Others	2,778	1,206
Total	21,508	14,548

London Central Market Report, May 2, 1927.

SOUTH AMERICA: Slaughterings in packing houses in Argentina and Uruguay first two months 1926 and 1927

Classification	Argentina		Uruguay	
	First two months 1926	First two months 1927	First two months 1926	First two months 1927
Cattle	509,301	624,010	172,703	134,709
Sheep	477,608	568,721	418,186	400,198
Pigs	8,249	19,001	--	--

Compiled from the Review of the River Plate, March 4, 1927, April 8, 1927.

COTTON: Production in countries reporting for 1926-27, with comparisons

(Bales of 478 pounds net)

Country	Average 1909-10 to 1913-14	1924-25	1925-26	1926-27	Per cent 1926-27 is of 1925-26
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	Per cent
Total countries previously reported & unchanged a/......	---	23,488	26,436	26,766	101.2
Australia	---	14	6	4	66.7
Cyprus	2	3	3	4	133.3
Syria	---	21	13	8	61.5
Total above countries	---	23,536	26,458	26,782	101.2
Estimated world total	20,900	24,900	27,900	28,200	101.1

Official sources and International Institute of Agriculture, except as otherwise stated.
a/ Includes United States, India, Egypt, Russia, Turkey (unofficial estimate), Chosen, Bulgaria, French Morocco, Mexico, Ecuador, Anglo-Egyptian Sudan, Greece (unofficial estimate), China (Chinese Mill Owner's Association estimate), Tanganyika, Malta, Spain, Iraq and Italian Somaliland.

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GRAINS: Exports from the United States, July 1-May 14, 1925-26 and 1926-27
PORK: Exports from the United States, Jan. 1-May 14, 1925-26 and 1926-27

Commodity	July 1-May 14 1925-26	July 1-May 14 1926-27 a/	Week ending Apr. 23 1927	Week ending Apr. 30 1927	Week ending May 7 1927	Week ending May 14
GRAINS:	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Wheat b/..........	50,032	140,808	2,456	3,943	752	1,617
Wheat flour c/d/..	39,701	58,285	4,366	1,297	348	696
Rye	9,955	15,083	1,951	2,793	930	1,217
Corn	20,357	15,513	383	251	431	155
Oats	28,081	6,786	441	171	1,394	911
Barley	25,169	15,074	102	220	809	83
	January 1-May 14					
PORK:	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Hams & shoulders, inc Wiltshire sides..	75,624	35,294	515	1,335	1,576	1,766
Bacon, including Cumberland sides.	82,027	44,330	2,088	2,555	1,883	2,134
Lard	284,637	248,767	14,816	13,509	13,846	10,782
Pickled pork.......	9,887	7,581	219	431	163	371

Compiled from official records of the Bureau of Foreign and Domestic Commerce.
a/ Revised to March 31, including exports from all ports. b/ Including via Pacific ports this week: Wheat 636,000 bushels, flour 26,000 barrels. Barley from San Francisco, 49,000. c/ Includes flour milled in bond from Canadian wheat. d/ In terms of bushels of wheat.

BUTTER: Prices in London, Berlin, Copenhagen and New York
(Foreign prices by weekly cable)

Market and Item	May 12, 1927	May 19, 1927	May 21, 1926
New York 92 score	43.00	40.50	41.00
Copenhagen, official quotation	33.06	32.82	34.76
Berlin, la quality	33.06	33.93	35.22
London: a/			
Danish	35.20	35.59	38.13
Dutch, unsalted	33.89	34.72	36.50
New Zealand	34.54	35.59	36.94
New Zealand, unsalted	36.06	37.54	-----
Australian	34.11	35.15	36.28
Australian, unsalted	35.20	35.80	-----
Argentine, unsalted	33.57	34.50	33.46
Siberian	32.81	33.42	32.64

Quotations converted at par exchange. a/ Quotations of following day.

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EUROPEAN LIVESTOCK AND MEAT MARKETS
(By weekly cable)

Market and Item	Unit	Week ending May 11, 1927	May 18, 1927	May 19, 1926
GERMANY:				
Receipts of hogs, 14 markets	Number	68,634	66,093	58,505
Prices of hogs, Berlin	$ per 100 lbs	11.94	12.97	15.77
Prices of lard, tcs., Hamburg	"	14.47	14.41	17.77
UNITED KINGDOM AND IRELAND:				
Hogs, certain markets, England	Number	11,577	8,772	7,927
Hogs, purchases, Ireland	"	19,488		
Prices at Liverpool:				
American Wiltshire sides	$ per 100 lbs	a/	a/	24.77
Canadian " "	"	20.86	20.86	26.94
Danish " "	"	22.81	22.81	29.98

a/ No quotation.

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